

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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IN RE PAYMENT CARD INTERCHANGE FEE
AND MERCHANT DISCOUNT ANTITRUST
LITIGATION

**ORDER TO
SHOW CAUSE**

05-MD-1720 (MKB) (JAM)

This document refers to: ALL ACTIONS

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JOSEPH A. MARUTOLLO, United States Magistrate Judge:

In light of the alleged fraudulent activity associated with the website cardsettlement.org and its referral partner, Merchant Stronghold (*see* Dkt. Nos. 9489, 9495), and following a December 11, 2024 status conference before the undersigned, the Court orders as follows:¹

A. Until further order of the Court, and as discussed at the December 11, 2024 status conference, cardsettlement.org shall not submit any new claims or contracts to Epiq.

B. By **December 16, 2024**, cardsettlement.org shall:

1. Provide a written response to the Court explaining why all of cardsettlement.org's claim-filing contracts should not be cancelled, at cardsettlement.org's expense;
2. Provide a written response to the Court outlining why cardsettlement.org should not be permanently barred from any settlement-related services;
3. Provide a written response explaining why, based on its admission that numerous fraudulent contracts have been filed with Epiq, sanctions should not be imposed—including, but not limited to, the payment of all administrative costs (to be estimated by Epiq) associated with the cancellation and notice provision, to all class members who signed up for claims-filing services with cardsettlement.org or its referral partners that were then submitted by it to Epiq. Such sanctions may also

¹ The present Order to Show Cause supersedes the prior Order to Show Cause, at Dkt. No. 9493.

include payment of all administrative costs incurred by Epiq related to this matter and the notice provision is to be reviewed and approved by Class Counsel;

4. Cardsettlement.org shall provide the Court and Class Counsel with a complete list of referral partners and agents as well as all versions of written processes and procedures, including the dates that processes and procedures were implemented, that have been provided to such partners and agents to sign up merchants for third-party claim filing services and confirm that merchants had, in fact, consented to sign up for cardsettlement.org's claim filing services; and

C. By **December 16, 2024**, Merchant Stronghold shall:

1. Provide a written response to the Court outlining why Merchant Stronghold should not be permanently barred from any settlement-related services following the admission that it signed up merchants for claims-filing services without their knowledge or consent.

2. Provide all written processes and procedures that were implemented, and the date of implementation, associated with signing up merchants for third-party claim filing services by cardsettlement.org and to confirm that that merchants had in fact consented to sign up for cardsettlement.org's claim filing services.

D. By **December 20, 2024**, Class Counsel shall file a response to cardsettlement.org and Merchant Stronghold's December 16, 2024 filing(s), if any.

E. Class Counsel are hereby directed to serve a copy of this order on cardsettlement.org and Merchant Stronghold in the manner most likely to constitute timely and effective notice and file proof of service by 12:00 p.m. EST on **December 12, 2024**.

Dated: Brooklyn, New York
December 11, 2024

SO ORDERED.

/s/ Joseph A. Marutollo
JOSEPH A. MARUTOLLO
United States Magistrate Judge